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SUBJECT: DCM visit to Davao spotlights youth, business and environmental programs

REF: Manila 2422

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1. (U) Summary: During an October 24-25 visit to Mindanao's largest city, the Deputy Chief of Mission joined local government leaders and U.S. businesses to inaugurate the ninth annual Davao Trade Expo, featuring the largest number of U.S. companies ever to participate. The DCM also spoke to a hundred youth leaders who had participated in State Department exchanges; was interviewed on the most popular regional TV morning show; visited with beneficiaries of a U.S. Department of Agriculture-supported River Conservation and Clean-Up project; toured a G/TIP/USAID-supported halfway house for victims of trafficking in persons; and discussed security threats in Central Mindanao with the regional commander for the Armed Forces of the Philippines. The visit re-emphasized themes from the Ambassador's previous travels to Davao, during which she praised the success of Davao area businesses as evidence that progress toward peace can result in increased investment and prosperity (reftels). End Summary.

DAVAO CITY

2. (SBU) Davao City is growing well economically, and is generally peaceful and secure, in contrast to the 1970's and 1980's when criminal gangs and the New People's Army of the Communist Party were far more active. However, the city has a high incidence of alleged vigilante killings. South Eastern Mindanao, while primarily agricultural, is developing into a center for agro-industrial business, trade, and tourism, and seeks stronger links to markets in other parts of Mindanao, Brunei Darussalam, and parts of Malaysia and Indonesia. City government is run by a father-daughter tandem, Mayor Rodrigo Duterte and the Vice Mayor, Sara Duterte. Mayor Duterte is averse to U.S. involvement in his city, opposing Balikatan joint training exercises because he believes the presence of U.S. military personnel will attract terrorist attacks. He is also highly critical of U.S. travel warnings regarding Mindanao, considering them counter-productive to boosting tourism. He generally avoids contact with Embassy Country Team Members, as he did during this trip.

YOUTH LEADERSHIP PROGRAM - PHILIPPINES

3. (U) This program brings Muslim and non-Muslim youth from Mindanao to study conflict resolution and inter-ethnic understanding for one month at Northern Illinois University and live with local families, while strengthening relationships between the people of the United States and the Philippines. At the closing ceremony of a three-day reunion of program alumni, the Deputy Chief of Mission handed out awards and certificates of completion to the 96 highly enthusiastic students, who told stories of the conflict in their respective areas and how much the exchange program has helped them deliver messages

of peace, inter-ethnic dialogue, and conflict resolution.

DAVAO RIVER CONSERVATION PROJECT

14. (U) A large crowd of local residents greeted the DCM when he arrived at the banks of the Davao River. The local leaders described their project and expressed thanks for U.S. government financial support, which is helping to keep the river cleaner, maintain fishing resources, and provide sustainable alternatives for agriculture and fishing. The DCM planted a mangrove tree, used at the site to prevent erosion; some residents use mangrove leaves to feed livestock, and the bark of the trees to weave into fiber. This project, otherwise known as "TIN-AW" (Timely Intervention and Natural Approaches to Watershed Management) is funded by the U.S. Department of Agriculture's Food for Progress program and implemented by Catholic Relief Services through two local non-governmental organizations: People Collaborating for Environmental and Economic Management, and Protect the Davao River Movement.

AMERICAN SHOWCASE AT THE DAVAO TRADE EXPO

15. (U) A record 16 U.S. brands had representatives at the "American Showcase", the highlight of this year's 9th annual Davao Trade Expo. In addition to the U.S. pavilion within the local trade show, 58 "new-to-market" U.S. firms were part of a catalog exhibition presenting business opportunities. The catalog exhibition was staffed by employees of the U.S. Commercial Service. The Davao program was the third and final stop of this major U.S. business road show, following successful stops in Cebu and Cagayan de Oro earlier this month. The DCM participated in a ribbon cutting ceremony and then toured the Showcase, along with regional business and government officials, including Davao Oriental governor Corazon Nuez-Malanyaon. The DCM highlighted increased participation by U.S. businesses at the Davao Expo and the positive impact U.S.

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business had on the Philippines as good corporate citizens. He took advantage of heavy press coverage of the event to encourage the people of the Davao region to keep working hard for peace, which, in turn, would attract more business investment to their area.

VISAYAN FORUM FOUNDATION HALFWAY HOUSE

16. (U) The DCM then visited the Visayan Forum Foundation's Halfway House for victims of human trafficking at the Port of Davao. The Visayan Forum Foundation works for the welfare of marginalized migrants, especially those working in the invisible and informal sectors, such as domestic workers. State and USAID funds support operation of Visayan Forum Halfway Houses at several ports across the Philippines, including Davao. The Port manager showed the DCM the various areas of the Port where trafficking victims could be identified and rescued with assistance from port security officials and alert employees. He noted that some port areas will be remodeled and new construction undertaken in the near future to improve port facilities and the ability to deal with the problems of trafficking.

EASTMINCOM

17. (SBU) The DCM met with the new Eastern Mindanao Commander of the Armed Forces of the Philippines, Lt. Gen. Cardozo Luna, who described the security challenges he faces in his area, which includes all of mainland Mindanao, except for the Zamboanga peninsula and the Sulu archipelago. Drawing on his experience as a brigade commander in Central Mindanao, Luna pointed to the need to develop the enormous Liguasan Marsh region, in which terrorists and other lawless elements find refuge.

18. (SBU) General Luna praised the Balikatan exercises as a welcome annual event whose public image has productively evolved from "war games and beach-landings" to Civil-Military and Community Relations events. When asked what military assets are needed to improve EASTMINCOM's capability, Gen. Luna responded that EASTMINCOM would benefit from more helicopters and small boats for use in operations in the Liguasan Marsh of Central Mindanao. Similarly to other

current senior Philippine Commanders in Mindanao, Luna takes a holistic approach to countering insurgents. He described the most effective approach to the Communist New People's Army as placing Philippine Special Operations soldiers inside key villages with resources to conduct civil-military projects. Sensitive to the political environment, Luna said that he could not support hosting a full-time U.S. liaison officer from JSOTF-P, but he welcomed visits to coordinate activities at his headquarters level. He was enthusiastic about the U.S.-Philippines military relationship, and related the high regard in which senior officers hold Ambassador Kenney.

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KENNEY